C3475-1A
1/15/87
BUSINESS
...ted Editions Only

SUPERMARKET BUSINESS

$4.00
PER COPY
PART ONE
OF TWO PARTS

VOLUME 42/NUMBER 1
JANUARY 1987

DPP:
Developing applications, developing issues

PUBLISHER
Jeffrey A. Schaeffer

EDITOR-IN-CHIEF
Kenneth P. Partch

SENIOR EDITOR
Robert J. Hughes

MANAGING EDITOR
Shirley Claypool

SENIOR ASSOCIATE EDITOR
Kevin Coupe

ASSOCIATE EDITORS
Peter Levitan
Frank Hammel

EDITORIAL ASSISTANT
Karen L. Jones

ART ASSOCIATES
Alison Bushnell
Andrea L. Gallo

CONTRIBUTING EDITORS
Marketing: **Len Dayton**
Produce: **Barney H. McClure**
Technology: **Richard Shulman**
Store Planning: **David Rogers**
Washington: **John Baskin**

ASSOCIATE PUBLISHER
Carol Fenshott

ASSISTANT CIRCULATION MANAGER
(ACTING CIRCULATION MANAGER)
Leon Carter

PRODUCTION MANAGER
Dennis Davidson

RESEARCH MANAGER
David Litwak

ADVERTISING SALES

EAST
SOUTHEAST REGIONAL SALES MANAGER
Peter Bayrant

NORTHEAST REGIONAL SALES MANAGER
Thomas Dean

EAST COAST SALES MANAGER
Maggie McAleer

REGIONAL SALES MANAGER
Janet Isenberg

SALES ADMINISTRATOR
Lauren Lekosid

Fieldmark Media
25 W. 43rd Street, Suite 707
New York, N.Y. 10036

CHICAGO
VICE PRESIDENT, NATIONAL ACCOUNTS
Dave Wishard

REGIONAL SALES MANAGERS
Doug Koda

Fieldmark Media
7366 N. Lincoln
Lincolnwood, Ill. 60646
312-673-6737

WEST COAST
Sue Marriff

Fieldmark Media
16133 Ventura Blvd., Suite 1200
Encino, Calif. 91436
818-783-5888

FIELDMARK MEDIA
25 W. 43rd Street, Suite 707
New York, N.Y. 10036
212-354-5169

PRESIDENT
Jeffrey A. Schaeffer

VICE PRESIDENT, FINANCE
Eric Braunstein

VICE PRESIDENT, ADMINISTRATION
Catherine Cahill

VICE PRESIDENT
Carol Fenshott

CORPORATE OFFICERS
SOSLAND PUBLISHING COMPANY
CHAIRMAN
Morton I. Sosland

VICE CHAIRMAN
Neil N. Sosland

PRESIDENT & CEO
Jeffrey A. Schaeffer

VICE PRESIDENT-EDITORIAL DIRECTOR
Kenneth P. Partch

VICE PRESIDENTS
Mark Sabo,
Mel Sjerven

TREASURER
Melanie Townsend

COVER PHOTOGRAPHY
Peter Braune

SUPERMARKET BUSINESS Magazine (ISSN 0196-5700) is published monthly by Fieldmark Media, 25 W. 43rd St., New York, N.Y. 10036. Telephone: 212-354-5169. Circulated free of charge to grocery retailers and wholesalers. U.S. subscriptions $40 per year, Canada, $45 per year. Foreign subscriptions $55 (seamail), $205 (airmail), per year. Single copies $4.00 except Consumer Expenditures Study (September issue) $25 per copy. (Discount prices available on multiple purchases.)
Copyright © 1987 Fieldmark Media. All rights reserved.
Second class postage paid at New York, N.Y., and additional mailing offices.

BPA ABP Association Of Business Publishers, Inc.

Gooding's 29

EFT 35

Checkout 66

SUPERMARKET BUSINESS

VOLUME 42
NUMBER 1
PART ONE
OF TWO PARTS

JANUARY 1987

DPP: NEW DEVELOPMENTS, NEW ISSUES EMERGING 23
A STAFF REPORT

A growing number of companies are using increasingly sophisticated software programs to measure the direct product profitability—the DPP—of their grocery items. The DPP phenomenon has been around for awhile, but it has become enormously popular only in recent years. Just how effective has DPP become? Does it remain a buzzword for profit control or is it a workable concept? SUPERMARKET BUSINESS examines the latest developments.

GOODING'S PUTS ITS FAITH IN ORLANDO/KEVIN COUPE 29

Gooding's is a highly competitive Orlando chain that offers customer service and low prices in an atmosphere of subtle Christianity.

NONFOODS BUSINESS* OPPOSITE PAGE 34

FIRST ANNUAL SURVEY OF SUPERMARKET PHARMACIES 38
KEVIN COUPE & DAVID LITWAK

NFB's first survey of pharmacies shows that while the departments have been traditionally considered a mixed blessing by retailers, they lately have been developing a stronger following, as supermarketers realize that in addition to gaining more respectability in the nonfoods area, pharmacies offer a boost to sales.

AT FARM FRESH, A BOUNTIFUL HARVEST OF NONFOODS 13B
KEVIN COUPE

Farm Fresh's deep involvement in nonfoods, combined with a strong customer service orientation, gives it continued growth in a highly competitive market area.

ALSO IN NONFOODS BUSINESS:
SAMI UPDATE ..... 19B NEW PRODUCTS 22B

*In selected editions only.

THE EFT-POS DEADLOCK: IS A BREAKTHROUGH IN SIGHT? 35
FRANK HAMMEL

Electronic funds transfer at the point of sale may finally emerge as a wide-scale reality, after years of rosy projections, disappointing pilot tests and a transaction fee tug-of-war between bankers and retailers.

WINNERS AND LOSERS IN 1986 NEW PRODUCTS 46
PHIL LEMPERT

The noted marketing newsletter writer takes an irreverent look at some notable products and promotions of last year.

1987 CONVENTIONS & MEETINGS CALENDAR 52

ANNUAL INDEX OF ARTICLES 56

CHECKOUT: IF HE CAN MAKE IT THERE, HE'LL MAKE IT ANYWHERE 66

Jim Bildner, who made a splash in Boston with his urban, upscale J. Bildner & Sons gourmet grocery store, is trying to make lightning strike twice, with a new store in Manhattan, and plans for more in the Big Apple.

OTHER FEATURES AND DEPARTMENTS:

EDITOR'S VIEW 7
TRADESCAN 9
WASHINGTON BRIEF 17
TECHNOLOGY 19
PRODUCE 40
ON MARKETING 48
NOVEMBER'S CONTEST: LIST OF CORRECT ENTRIES 60
THE JANUARY CONTEST 63
AD INDEX 63

NONFOODS BUSINESS

INSIGHTS FOR MANAGEMENT AND THE GM/HBA SPECIALIST

IN SUPERMARKETS

PHARMACIES ARE PRESCRIPTION FOR MORE SALES

BY KEVIN COUPE AND DAVID LITWAK

NONFOODS BUSINESS's First Annual Pharmacy Survey reveals that supermarket pharmacies are developing a stronger following, as retailers realize that they boost overall sales.

The retailer, a Midwestern independent who had built a strong following with his version of an upscale super store, stood in his health and beauty aids (HBA) section and looked at the pharmacy just a few steps away. An elderly woman was sitting on a conveniently placed couch, waiting for a prescription, while a father and son examined some of the over-the-counter sports-related medications displayed on a shelf. While the rest of the store bustled with energy, the atmosphere there was calm, relaxed, like a doctor's waiting room. It was active, but hardly busy.

"The thing about a pharmacy is this," the retailer said. "It's great for your image, but it takes practically forever to become profitable. People take a long time to get used to it. They don't like changing pharmacists; they like it about as much as changing doctors. And since most people have a pharmacist they patronize, it takes a long time for a newly established pharmacy to develop any kind of a following."

Still, said the retailer, he had no regrets about opening the pharmacy in his store. "It is just going to take some time."

The time of the supermarket pharmacy is coming. Indeed, if indications are correct, in the near future the inclusion of a pharmacy in supermarket floor plans will probably be about as normal as the installation of delis and bakeries. They won't be for everyone, but an increasing number of stores will find that to maintain their image as one-stop shopping centers, pharmacies will be an ever important piece of the picture.

Clear trend

NONFOODS BUSINESS's First Annual Pharmacy Survey, conducted through written questionnaires and follow-up interviews with retailers nationwide, reveals how the approximately 3,150 supermarket-based pharmacies in the U.S. fit into that overall picture, and what they are contributing to supermarkets' bottom line.

The survey results speak for themselves: According to SUPERMARKET BUSINESS's annual Consumer Expenditures Study, in 1984, prescription drugs sold in grocery stores generated $1.19 billion in sales, 0.47 percent of total annual grocery store sales. In 1985, prescriptions sold in grocery stores generated $1.59 billion in sales, 0.59 percent of total store sales for the year. The trend is clearly upward.

Throughout the country, one can see an increasing realization on the part of supermarket retailers that pharmacies are a potentially crucial part of the mix. And that doesn't mean just major companies, though the big supermarket chains heavily skew the numbers. Chains such as Vons and Cub plan to put pharmacies in most of their new stores, and Kroger and Safeway—which already have 30 percent of all the nation's supermarket-based pharmacies—also maintain their commitment to pharmacies.

Independents as well are doing their best to stay with the trends. In Riverton, Wyo., Bob Woodward of Woodward's IGA rents out space to a local pharmacist and considers it an important part of his store's image. In future stores, Woodward says, he would either rent out space to a pharmacist or hire one.

Resistant to change

Survey results, however, indicate that not everyone is taking such an attitude. Interviews with retailers, pharmacists and merchandisers suggest that those companies that have in the past included pharmacies as part of their mix will make even greater commitments to the department, while those that have resisted pharmacies will continue to do so.

There are, of course, exceptions. One large East Coast chain told NONFOODS BUSINESS that it will open three new pharmacies in the coming year, two of them in new stores and one in an existing unit.

Continued on page 10B

Supermarket operators own (not lease) 97 percent of the more than 3,000 full-service pharmacies located in grocery stores.

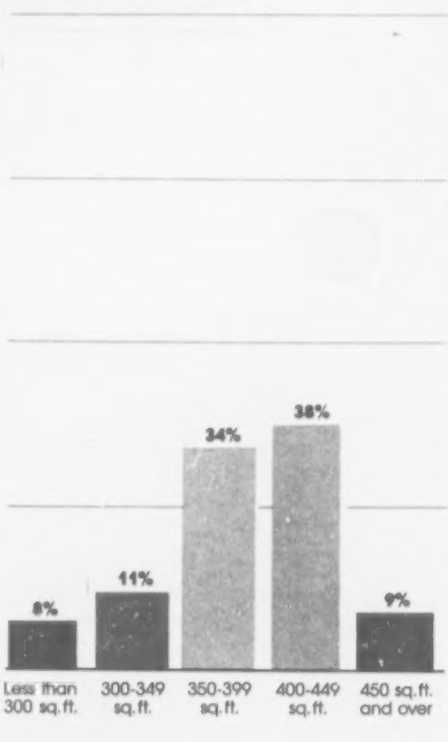
About one of every 10 supermarkets has a pharmacy, making the nation's 3,156 supermarket pharmacies a vital part of the grocery industry. The average pharmacy takes up 380 square feet, about .8 percent of the store space. Aside from being fairly large, stores with pharmacies also do a high volume of business (an average of $16 million per year per store).

PHARMACY SIZE

MEAN: **380*** sq.ft. **1600**** sq. ft

MEDIAN: **350** sq.ft.

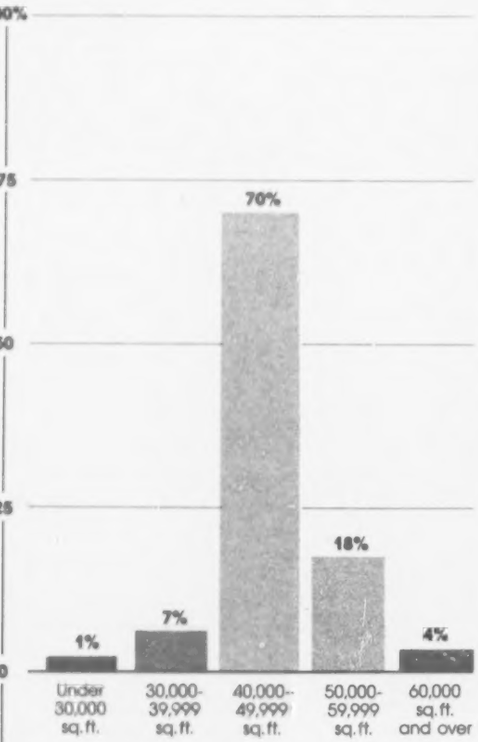
COUNTER AND WORKSPACE



*Counter and workspace only
**Total department where HBA section is considered part of pharmacy.

SIZE OF STORES WITH PHARMACIES

MEAN: **45,186** sq. ft MEDIAN: **43,000** sq.ft.

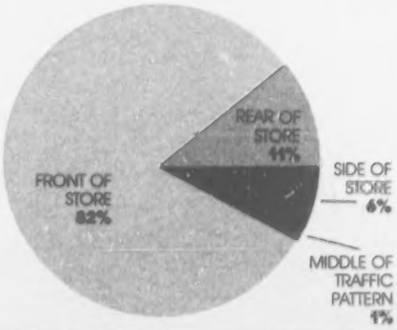


SHARE OF TOTAL STORE SPACE

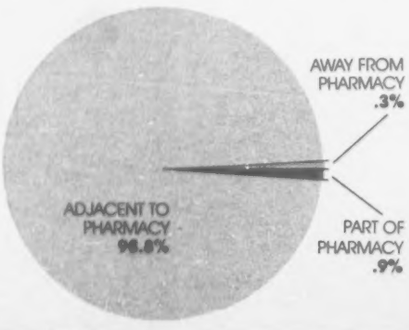
MEAN 8%

AVERAGE ANNUAL SALES OF A STORE WITH A PHARMACY: $16 MILLION

PREFERRED LOCATION FOR PHARMACY



LOCATION OF HBA SECTION



SUPERMARKET PHARMACIES / SALES

Supermarket pharmacies generated $1.59 billion in sales in 1985. Weekly sales per square foot were $25.02.

In 1985, prescription drug sales of $1.59 billion accounted for 0.59 percent of the total grocery store sales. With average weekly pharmacy sales of $9,579, and weekly sales per square foot of $25.02, the pharmacy has become a growing source of revenue for the supermarket. Indications are that this trend will continue; 95 percent of the stores report that pharmacy sales have increased during the past year, with the average increase at 16.9 percent.

PRESCRIPTIONS IN SUPERMARKETS

SALES & % OF TOTAL GROCERY STORE SALES

	1984	1985
Annual Sales	$1.19B	$1.59B
% of Total U.S. Store Sales	0.47%	0.59%

CHANGE IN $ SALES OF PHARMACIES

	86/85 vs. 85/84	Mean % Change
Increased Sales	95.0%	+16.9%
Decreased Sales	4.5	−4.6
No Change	.5	—
	100%	

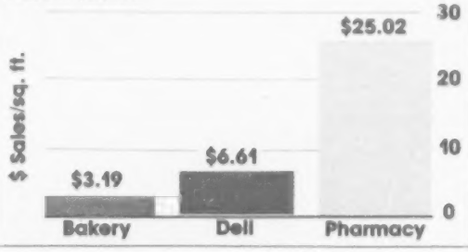
WEEKLY SALES
MEAN: $9,579 **MEDIAN: $8,985**

	% of Pharmacies
Less than $5,000	1%
$5,000 -$6,999	14
$7,000-$8,999	44
$9,000-$10,999	21
$11,000 and over	20
	100%

SHARE OF TOTAL STORE SALES
MEAN: 3.6% **MEDIAN: 3.4%**

% of Sales	% of pharmacies
Less than 2.0%	5%
2.0-2.9	1
3.0-3.9	92
4.0-4.9	1
5.0 and over	1
	100%

WEEKLY SALES PER SQUARE FOOT
MEAN: $25.02



GROSS MARGIN

MEAN: 27.1% **MEDIAN: 30.1%**

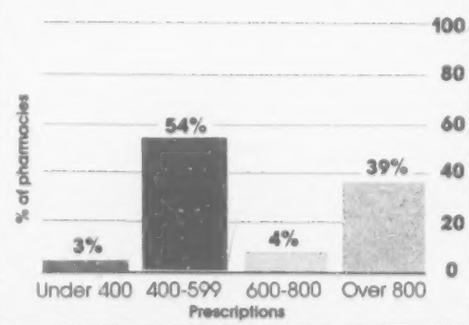
% margin	% of pharmacies
Less than 25%	less than 1%
25-29	17
30-32	73
33 and over	10
	100%

SUPERMARKET PHARMACIES / PROFIT

A supermarket pharmacy doesn't usually become profitable until it's been operating for about 22 months.

Profit is hard to measure in the pharmacy department. Even with gross margins of 27.1 percent, the average pharmacy takes about 22 months to become profitable. This is because of the high cost of drug products and the length of time required to build a repeat clientele (the average pharmacy fills 710 prescriptions per week). The pharmacy's profitability is not limited to its counter area, however; 98.8 percent of companies operating pharmacies report higher HBA sales per square foot in their stores that have pharmacies.

PRESCRIPTIONS FILLED PER WEEK
MEAN: 710 **MEDIAN: 525**



MONTHS TO PROFITABILITY
(How long until pharmacy is profitable)
MEAN: 22.3 Months **MEDIAN: 21 Months**

CHANGES IN HBA SALES
(Differences in sales/sq. ft. of HBA section in stores with pharmacies vs. those without)
MEAN INCREASE WITH PHARMACY: 29.4%

Companies Reporting: (with pharmacies)	
Higher HBA Sales	99.8%
Lower HBA Sales	0
No difference	.2
	100%

SUPERMARKET PHARMACIES / LABOR

Labor costs in the pharmacy department are kept down (to only 19.5 percent of sales) because of the relatively few employees needed.

Although supermarket pharmacies employ highly paid registered pharmacists, the labor costs for running a pharmacy are only 19.5 percent of sales. This is because the average pharmacy can be run by the equivalent of 3.8 full-time employees, making the average weekly sales per employee over $2,500.

In virtually all stores (99.5 percent), the supermarket pharmacy is under the control of a full-time registered pharmacist, who doubles as the pharmacy manager.

EMPLOYEES
(Average Number)

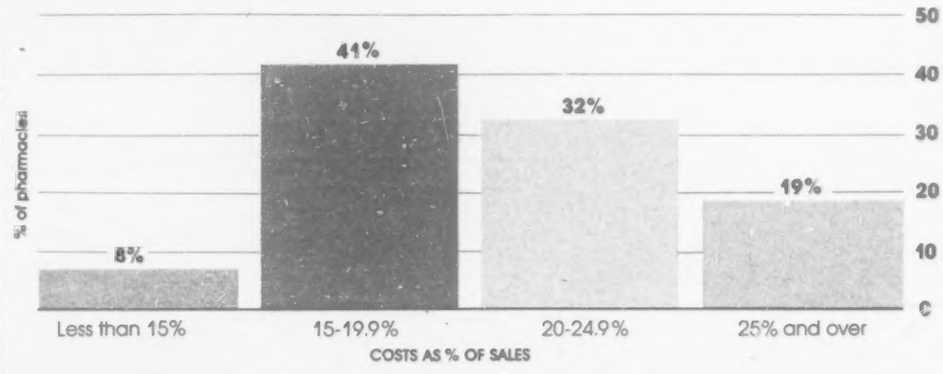
	Registered Pharmacists	Clerical	Total
Full Time	1.9	.5	2.4
Part Time	1.4	1.3	2.7
Full-Time Equivalent*	2.6	1.2	3.8

*2 part time = 1 full-time employee

AVERAGE WEEKLY SALES PER EMPLOYEE: $2520

MANAGEMENT
99.5% of all pharmacies are managed by a full-time registered pharmacist

LABOR COSTS
(As a percentage of pharmacy sales)
MEAN: 19.5% **MEDIAN: 20.0%**

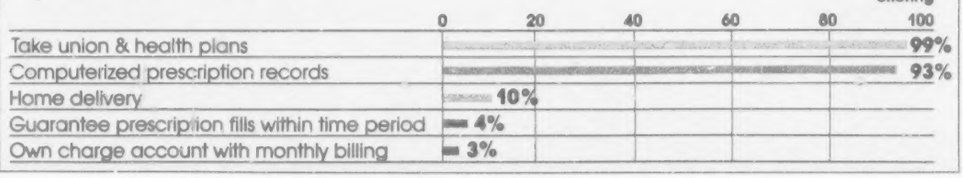


SUPERMARKET PHARMACIES / SERVICES

Most supermarket pharmacies offer the same services as traditional chain drug stores.

Supermarket pharmacies offer the same type of services that freestanding drug "chain" stores offer. Virtually all supermarket pharmacies (99 percent) honor union and health insurance plans, and 93 percent have computerized prescription records.

SERVICES OFFERED BY PHARMACIES



PHARMACY SURVEY

Continued from page 3B

The chain's decision to install a pharmacy in an established store goes against the general grain. The NONFOODS BUSINESS Pharmacy Survey indicates that among retailers, the preference is for establishing pharmacies in newly built stores rather than for installing them in existing units or as part of remodels. This would appear to relate to the fact that pharmacies generally take an average of 22 months to break even, and that pharmacies are perceived to be labor-intensive to the extent that supermarket retailers are wary of them.

"I can't even begin to tell you how much they cost me," says one Missouri retailer. "And in the future, labor costs are going to be the measure of whether a supermarket is profitable or not."

Two benefits

However, the issue of labor intensity may be less of a problem in the pharmacy than many retailers believe. NONFOODS BUSINESS's survey reveals that sales per square foot or sales per employee are much higher in pharmacies than in other service departments such as delis or bakeries. According to survey respondents, pharmacies benefit in this regard because they have a higher cost per item, and because labor costs as a percentage of sales are less in supermarket pharmacies than in other service departments.

And, if this is not enough to sway those considering entry into the pharmacy field, retailers report that while HBA departments are generally considered separately, HBA sales are higher in stores that have an adjacent pharmacy than in stores without pharmacies. In fact, retailers say that the difference in HBA sales between stores with and without pharmacies is almost 30 percent.

Space to stay the same

Another factor must be noted here, however. Stores with pharmacies tend to be larger stores that place a greater emphasis on HBA— 70 percent of stores with pharmacies are between 40,000 and 49,999 square feet—and therefore tend to have heavier HBA sales.

Retailers interviewed by NONFOODS BUSINESS emphasize that there is also not necessarily a correspondence between the amount of space devoted to pharmacy and increased HBA sales. Rather, respondents say that the size of pharmacies will not be changing much in the near future, even in instances where the adjacent HBA department itself is enlarged.

According to survey respondents, shoppers using a supermarket pharmacy key in on those products that they can't get anywhere else: prescription drugs. Ninety-three percent of those queried say that more than 90 percent of pharmacy sales are in the prescription area, with the balance coming from over-the-counter (OTC) remedies and wound care products.

Effective promotions

Besides providing NONFOODS BUSINESS with statistical information regarding their pharmacies, much of

which is detailed in the accompanying charts and graphs, supermarket retailers offer suggestions about effective promotions and strategies they have used to increase community awareness and bolster pharmacy sales. They include:

[ ] Providing blood pressure screenings for shoppers.

[ ] Offering discount coupons for any new prescriptions filled in a new store pharmacy.

[ ] Using high-value coupons (as much as $5) for transferring prescriptions to the supermarket from another pharmacy.

[ ] Emphasizing personal contact with shoppers by getting the pharmacist out from behind the counter whenever he is not actually filling prescriptions.

[ ] Offering discounts to customers after 10 prescriptions are filled by the supermarket pharmacist.

[ ] Sponsoring coupon contests for employees, who are encouraged to hand them out to doctors and other people who can refer potential pharmacy customers to the store.

[ ] Providing discounts on prescriptions for senior citizens and children under five years old.

[ ] Heavily advertising sales of contact lens accessories in the pharmacy.

[ ] Actively pursuing contacts with health maintenance organizations (HMOs) that can stimulate referrals.

Sales per square foot and sales per employee are much higher in pharmacies than in other service departments offered by supermarkets.

Times are changing

The tenor of the responses to the NONFOODS BUSINESS survey suggests that the attitudes toward and uses of pharmacies within the supermarket industry are in the middle of a transitional period.

While in the past supermarket retailers used the pharmacy primarily to enhance their image as a one-stop-shopping outlet and to generate traffic and sales in the HBA section, today some marketers view the pharmacy as a strong and effective profit center for the industrious supermarket.

Patience, of course, is necessary while the retailer waits for customers to find and patronize his pharmacy, but once that is achieved, the pharmacy has a strong potential for earning a significant profit on a sustained and steady basis.

Another way Ambassador is working harder.

Our DPP program is already one year old while the others are barely off the ground.

Ambassador was the first company in our industry to give you a DPP program with its potential for extra profits. While we're doing a little justified crowing about our sophisticated use of computers, we might add:

We were the first company to computerize sales and inventory planning, not by region, but *by individual store* — to increase your return on inventory investment by as much as 30%.

We're the only company that uses computer graphics to tailor displays specifically for *each* of your stores. That way you can be sure to use every inch of space with maximum efficiency and no waste.

We could go on and on, but the main point is this:

Ambassador gives you far more computer services than any other greeting card company because Ambassador is a *Hallmark* company. We draw upon the largest pool of talent in the social expression field. More computer, marketing, research, promotion and display experts. And we know more about selling cards than anyone else in the world.

If you're already our business partner, congratulations. If you're not, please call us at 816-274-4562. Ask for Pat Cullinan, our V.P. in charge of new business. And call collect.

Ambassador

Working harder to make it easier for you.

A Hallmark company

SAMI UPDATE

HBA Sales in October Exceed All Product Departments Except Refrigerated Foods

October was a good month for sales of health and beauty aids, with analgesics, lip care products, toothpaste and mouthwash contributing especially well to overall growth.

BY ALAN MILLER JR.

Health and beauty aids (HBA) gained 2.5 percent in food store unit growth and 4.8 percent in dollar volume during the four-week reporting period ending Nov. 7, 1986. This performance topped all product departments measured by SAMI, except refrigerated foods.

In comparison, tonnage growth for shelf-stable food products was just under 1 percent, while frozen foods gained 1.1 percent. Dry grocery nonfood sales fell 1 percent.

The HBA sales gain is on top of a 2.9 percent increase reported in October 1985 over the same period in 1984. It's also considerably stronger than the 0.3 percent gain registered for the previous four-week reporting period.

Unit volume gains occurred in five of the eight HBA product groups, topped by a 14.2 percent jump in skin care aids, a 3.9 percent rise in oral hygiene products and a 3.0 percent rise in proprietary remedies. Baby needs fell 4.0 percent, while smaller losses were recorded for shaving needs (-1.1 percent) and deodorants (less than 0.1 percent).

New categories

Two additional SAMI HBA categories are not included in these calculations because they have not been measured for two full years. Dental aids had a gain of 7.0 percent, while natural vitamins, minerals and supplements gained 59.0 percent for the four-week period. If these two categories had been inlcuded in the total, the four-week gain rate for the HBA product department would have been 2.7 percent.

Including the two new categories, the category score was 22 gains and 30 losses, but fortunately the increases took place in higher volume universes.

The baby needs product group has been weak all year. The only gain for the four categories is a minimal one (less than 0.1 percent) in nursing supplies, and only for the 52-week interval.

Unit sales of baby powders in the four-week period narrowly missed moving over into the plus column (-0.1 percent). But declines of 19.1 percent and 4.6 percent respectively were registered in infant clothes and nursing supplies.

The eight deodorant categories had more gains than losses. Declines in the spray, roll-on and cream categories were undoubtedly the result of continuing growth among stick deodorants and antiperspirants (+5.5 percent). Unit sales also improved for feminine hygiene deodorants (+2.4 percent) and foot deodorants and athlete's foot remedies (+3.0 percent).

Antiseptics sell well

First aid antiseptics sold well (+10.9 percent), with the current gain on top of a 4.2 percent increase in the similar period a year ago. Sales of first aid products, however, are on a plateau, with little movement.

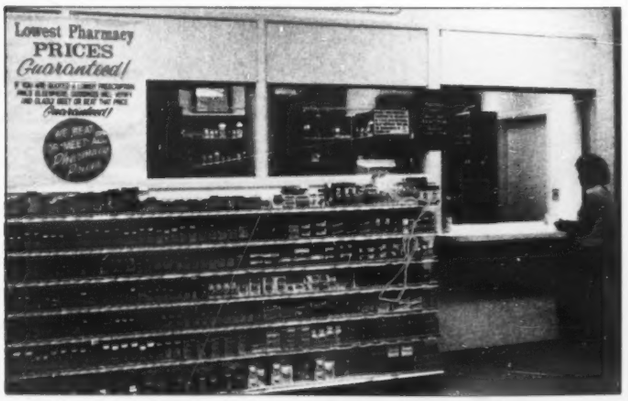
In the hair care needs product group, shampoos have not had a banner year, with loss rates recorded for all three reporting intervals: 52 weeks (-1.7 percent), 12 weeks (-2.3 percent) and four weeks (-2.8 percent). This weakness, caused in part by a dearth of innovative new products, was more than offset by increased sales of hair sprays (+7.9 percent), hair conditioning rinses (+2.7 percent) and hair setting needs (+13.7 percent).

Sales of home permanent kits

SAMI UPDATE

HEALTH & BEAUTY AIDS: SAMI FOUR-WEEK FOOD STORE UNIT TRENDS VS. YEAR AGO

PRODUCT GROUP AND CATEGORY	% CHANGE VS. YEAR AGO 4 WEEKS ENDING 9/12/86	4 WEEKS ENDING 10/10/86	4 WEEKS ENDING 11/7/86
BABY NEEDS	**– 5.3%**	**– 4.4%**	**– 4.0%**
Baby Powders	– 10.7	+ 3.4	– 0.1
Baby Oils, Creams & Lotions	– 4.1	– 7.5	– 4.6
Infant Clothes	– 10.2	– 14.8	– 19.1
Nursing Supplies	– 2.2	– 3.0	– 1.0
DEODORANTS	**– 2.6%**	**+ 1.5%**	**– 0.0%**
Sprays	– 10.5	– 4.2	– 3.7
Roll-Ons	+ 0.2	+ 5.0	– 3.9
Stick Deodorants & Pads	+ 1.4	+ 4.1	+ 5.5
Creams	– 14.8	– 10.0	– 10.1
Deodorants & Talcum Powders	– 11.3	– 1.2	– 0.1
Feminine Hygiene Deodorants	– 6.9	– 4.0	+ 2.4
Foot Deodorants & Athlete's Foot Remedies	+ 2.0	+ 13.1	+ 3.0
Feminine Douches	– 0.1	– 1.3	– 0.9
FIRST AID	**+ 0.4%**	**+ 4.4%**	**+ 2.0%**
Antiseptics	+ 6.3	+ 7.4	+ 10.9
First Aid Products	– 1.3	+ 3.5	– 0.3
HAIR CARE NEEDS	**– 0.1%**	**+ 3.0%**	**+ 1.2%**
Shampoos	– 3.7	– 0.6	– 2.8
Hair Sprays	+ 16.1	+ 15.0	+ 7.9
Hair Conditioning Rinses	– 4.4	+ 3.3	+ 2.7
Hair Setting Needs	+ 5.2	+ 9.3	+ 13.7
Home Permanent Kits	+ 3.3	– 3.5	– 0.0
Hair Coloring	– 10.2	– 6.3	– 2.4
Hair Dressing Needs	– 7.5	– 7.3	– 4.2
ORAL HYGIENE	**– 4.5%**	**+ 1.0%**	**+ 3.9%**
Toothpastes & Powders	– 7.8	– 2.0	+ 5.0
Mouthwashes	+ 1.1	+ 8.5	+ 9.3
Breath Fresheners	+ 1.2	– 0.9	+ 4.1
Denture Cleaners	– 4.5	– 5.3	– 7.8
Denture Adhesives	– 6.6	– 5.0	– 0.7
Toothbrushes	+ 4.5	+ 10.4	– 2.9
PROPRIETARY REMEDIES	**+ 4.2%**	**– 1.2%**	**+ 3.0%**
Antacids	– 0.2	– 2.0	+ 0.9
Internal Analgesics	+ 3.1	+ 5.2	+ 11.5
External Analgesics	– 3.6	– 4.7	– 1.0
Cold Tablets	+ 29.4	+ 3.5	+ 3.3
Nasal Sprays—Drops—Inhalers	+ 1.4	– 7.9	– 4.6
Chest Rubs	– 4.0	– 20.1	– 8.4
Cough Remedies	+ 1.8	– 10.8	– 2.3
Laxatives	– 2.3	– 6.3	– 4.4
Sleeping Aids	+ 7.6	+ 9.7	– 1.8
Tranquilizers	– 14.8	– 7.7	– 0.3
Synthetic Vitamins	+ 11.8	+ 8.4	+ 2.4
Eye Care Products	+ 2.6	+ 5.7	+ 10.6
Appetite Suppressants	+ 6.8	+ 3.7	– 7.4
SHAVING NEEDS	**+ 1.4%**	**– 1.9%**	**– 1.1%**
Shaving Creams	+ 1.1	+ 0.1	+ 7.1
Pre-Shave Lotions	– 10.0	– 5.8	– 9.5
After-Shave Lotions	– 13.4	– 9.8	– 7.5
Razor Blades	+ 3.3	– 2.2	– 3.4
Razors & Blades	+ 18.1	+ 23.3	+ 0.5
SKIN CARE AIDS	**+ 0.8%**	**– 1.4%**	**+ 14.2%**
Hand & Body Creams & Lotions	+ 5.0	– 3.0	+ 5.4
Facial Preparations	– 11.6	– 13.9	– 4.6
Lip Care Products	+ 17.4	+ 13.9	+ 74.2
Suntan Lotions & Oils	+ 25.1	+ 9.6	– 16.5
Cosmetic & Medicated Skin Aids	– 2.1	+ 1.8	+ 2.4
TOTAL ALL CATEGORIES	**± 0%**	**+ 0.3%**	**+ 2.5%**



were about even with the previous year level, while losses of 2.4 percent and 4.2 percent were recorded in the hair coloring and hair dressing needs categories.

Toothpaste sales moved solidly in the plus column. The 5 percent gain in four-week volume represents more than 1.4 million units. A 700,000 gain in four-week unit volume of mouthwashes translates to an increase of 9.3 percent.

The 2.9 percent loss for toothbrushes is trended against a strong gain of 10.9 percent a year ago, and follows a 10.4 percent gain in the preceding period, when the new Aim toothbrush was capturing a strong share.

Breath fresheners moved ahead 4.1 percent on a small volume base, while continuing declines were manifest among denture cleaners (-7.8 percent) and denture adhesives (-0.7 percent).

Two double-digit gains

Only five of the 13 proprietary remedy categories showed pluses, but the double-digit gains for internal analgesics (+11.5 percent) and eye care products (+10.6 percent) helped push the entire product group 3.0 percent ahead.

Cold tablets gained 3.3 percent, about the same as in the previous period. But each of the other cold remedy categories suffered sales declines: nasal sprays-drops-inhalers (-4.6 percent), chest rubs (-8.4 percent) and cough remedies (-2.3 percent).

Appetite suppressants dropped 7.4 percent, but synthetic vitamin sales (+2.4 percent) moved up in concert with the new natural vitamins, minerals and supplements category. The 59 percent gain in that category is mostly a result of consumer interest in calcium supplements.

Three other categories had four-week sales decreases: external analgesics (-1.0 percent), laxatives and stool softeners (-4.4 percent) and sleeping aids (-1.8 percent). The small loss in over-the-counter tranquilizers (-0.3 percent) translates to few dollars, since only 16,000 units were sold during the four-week period.

Shaving needs fall

Three of the five categories of shaving needs had losses. Pre-shave lotions declined 9.5 percent, after-shave lotions, 7.5 percent and the high-volume razor blades category, 3.4 percent.

Razor sets tacked on 1,000 units for a gain of 0.5 percent, while shaving creams basked in the light of a jump in unit volume amounting to 7.1 percent.

The gain of 14.2 percent in the skin care aids product group was largely triggered by the strong performance among lip care products, with the Vaseline Lip Therapy line setting the pace. Hand and body creams and lotions increased 5.4 percent, while cosmetic and medicated skin aids recovered from its loss in the previous period.

The 4.6 percent loss for facial preparations reflects maturity in the facial sponge segment and is positioned against a 36.9 percent increase in the corresponding year-ago period. A loss of 16.5 percent in suntan lotions and oils is not worrisome to manufacturers of these products when it occurs in the Fall.

The HBA trends during the two remaining reporting periods in 1986 will be influenced by the weather, the incidence of coughs and colds and the importance of new products introduced during the waning weeks of the year.